



# STATE OF IOWA

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DEPARTMENT OF HUMAN SERVICES  
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## Managing the 1.5 percent across-the-board funding cut

There are several strategies to manage the across-the-board reduction of \$19,688,268 for the Iowa Department of Human Services. The plan does not include furloughs or layoffs.

In some areas, the cut will be managed by not filling vacancies and by making reductions in support services such as postage, travel, equipment, and IT work. In other areas, updated estimates show that expenditures are lower than projected, meaning service in these areas will not be negatively impacted by a cut in revenue. In Medicaid, which is by far the largest single expenditure of the department's budget, the reduction—if ultimately required—will be managed by a steep provider rate cut. Congressional sources have indicated Congress will likely approve an economic stimulus package that will provide Medicaid relief and make provider cuts unnecessary.

There are three documents to explain the DHS proposal:

- A one-page financial explainer.
- A spreadsheet showing all of the program areas and the strategy for meeting necessary cuts.
- A spreadsheet showing the impact of a provider rate cut in Medicaid.